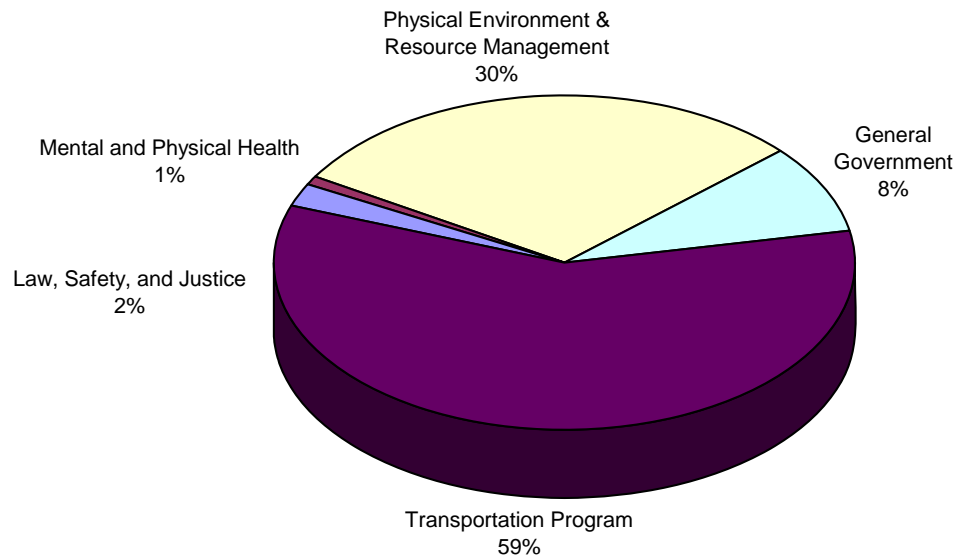
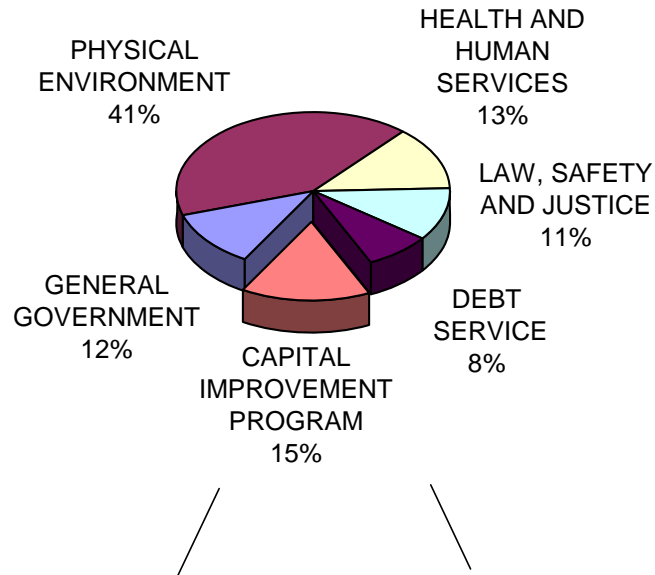

Capital Budget

Capital Improvement Program

\$743 Million



Due to rounding, figures in pie chart may not add to 100%.

INTRODUCTION

This section on King County's Capital Improvement Program Plan (CIP) provides an overview of the capital program. The complete CIP budget at the project level of detail is published as a separate document entitled **2010 Executive Proposed Capital Improvement Program**.

The 2010 Executive Proposed CIP Budget is approximately \$809.8 million. This is a reduction of approximately \$390 million compared to the 2009 Adopted CIP budget. This decrease was anticipated as Transit had a high level of bus replacements in the prior biennium as compared to the 2010/2011 biennium. Of the \$809.8 million of budget authority, approximately \$141.5 million includes Transit expenditures for 2010-11, \$96.5 million for Wastewater Treatment, \$54.3 million for Solid Waste facilities, \$257 million for Road Services, a transfer amount from Transit's capital fund to the operating fund for 2010 – 11, \$66.7 million and \$193.7 million for other county projects. The County capital program will continue to improve the infrastructure for transit, roads, public safety, parks, wastewater treatment, surface water management, solid waste disposal and public health.

The Capital Improvement Program Budget is divided into five program categories as shown in the budget table below.

1. **Law, Safety, and Justice Program** includes capital improvements to facilities housing the operations of the King County Superior Court, King County District Courts, the King County Prosecuting Attorney's Office, the Department of Adult and Juvenile Detention, and the King County Sheriff Office.
2. **Mental and Physical Health Program** includes capital improvements to Harborview Medical Center, public health clinics, and alcoholism and drug treatment facilities.
3. **General Government Services Program** includes capital improvements for King County facilities, as well as technology improvements.
4. **Physical Environment and Resource Management Program** includes CIP projects for solid waste, flood hazard reduction and river maintenance, surface water management, agriculture and forest preservation, conservation futures acquisitions, open space acquisitions, parks and wastewater treatment facilities.
5. **Transportation Program** includes CIP projects for the transit system, county streets and roads, and the King County International Airport.

2010 Proposed Budget for CIP GF Transfers 0010/0699

Code	Item	Description	Expenditures	FTEs *	TLTs
Program Area					
CIP					
		2009 Adopted	6,946,193	0.00	0.00
		Status Quo**	5,170,472	0.00	0.00
		Status Quo Budget	12,116,665	0.00	0.00
		Contra Add Back	1,139,472		
Annexations/Incorporations					
AX04		North Highline Annexation	(50,525)	0.00	0.00
			(50,525)	0.00	0.00
Information Technology Projects					
PC25		Transfer to OIRM Technology Projects Capital Fund	2,253,966	0.00	0.00
			2,253,966	0.00	0.00
Infrastructure Improvement Needs					
PC14		North PH Counter Remodel - HIPAA, ADA & Ergonomic, Safety & Security	132,448	0.00	0.00
PC16		South Park Landfill Remedial Investigation/Feasibility Study	81,508	0.00	0.00
PC17		YSC Airborne Infection Isolation Room Improvements	104,636	0.00	0.00
PC21		Office of Finance	52,911	0.00	0.00
			371,503	0.00	0.00
Major Maintenance Capital Requests					
PC22		Transfer to Major Maintenance Reserve Fund	(3,000,000)	0.00	0.00
			(3,000,000)	0.00	0.00
Public Transportation Capital Requests					
TA01		Transfer to Public Transportation Fund	275,787	0.00	0.00
			275,787	0.00	0.00
Technical Adjustments					
TA02		PSQ Amount to be replaced with Infrastructure Projects	(1,593,220)	0.00	0.00
TA05		PSQ Amount to be replaced with IT Projects	(2,687,614)	0.00	0.00
			(4,280,834)	0.00	0.00
		Total Change Items in 2010	(4,430,103)	0.00	0.00
		2010 Proposed Budget	8,826,034	0.00	0.00

* FTEs do not include temporaries or overtime.

** This includes 2009 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

*** Please see Budget Transparency Section table at the end of the program plan pages for section information as identified in the Budget Transparency Ordinance No. 16445.

CIP GF Transfers

Real Estate Excise Tax #1/3681

	2008 Actuals ¹	2009 Adopted ²	2009 Estimated	2010 Proposed	2011 Projected	2012 Projected
Beginning Fund Balance	14,236,694	62,421	12,179,070	205,307	500,000	500,000
Revenues						
* REET Tax ³	5,134,148	4,908,155	3,147,055	3,338,998	3,883,231	4,755,046
* Interest Earnings ¹⁰	(9,240)		62,000	55,665	72,323	120,866
Total Revenues	5,124,908	4,908,155	3,209,055	3,394,663	3,955,554	4,875,912
Expenditures						
* Parks & Open Space Expenditures ⁴				(504,520)	(1,352,487)	(2,278,340)
* T/T Parks CIP Fund 3160	(4,993,793)	(962,322)	(962,322)			
* T/T Parks CIP Fund 3490	(1,167,403)	(1,309,327)	(1,309,327)			
* T/T Open Space CIP Fund 3522 ¹¹	(1,066,678)	400,000	400,000			
* REET 1 Finance Charges ⁶	(2,859)	(1,657)	(1,657)	(2,858)	(2,958)	(3,062)
* Debt Service ⁷	(2,151,799)	(2,152,270)	(2,152,270)	(2,147,592)	(2,155,109)	(2,149,511)
* Estimated 2008 CIP Carryover/CIP Rec ⁸			(10,712,242)			
Total Expenditures	(9,382,532)	(4,025,576)	(14,737,818)	(2,654,970)	(3,510,554)	(4,430,912)
Estimated Underexpenditures						
Other Fund Transactions						
* Intrafund Loan and Payments ⁹	2,200,000	(445,000)	(445,000)	(445,000)	(445,000)	(445,000)
Total Other Fund Transactions	2,200,000	(445,000)	(445,000)	(445,000)	(445,000)	(445,000)
Ending Fund Balance	12,179,070	500,000	205,307	500,000	500,000	500,000
Reserves & Designations						
* Estimated 2008 CIP Carryover ⁸	(10,712,242)					
Total Reserves & Designations				0	0	0
Ending Undesignated Fund Balance	1,466,828	500,000	500,000	500,000	500,000	500,000
Target Fund Balance ⁵	500,000	500,000	500,000	500,000	500,000	500,000

Financial Plan Notes:

¹ 2008 Actuals are per Final 14th Month ARMS.

² 2009 Adopted is per the 2009 Adopted Budget Book.

³ 2009 Estimated and 2010 - 2015 are based on *June 19, 2009 Budget Office projection*.

⁴ The total budget for 2010 - 2015 T/T Parks Fund 3160 and T/T Parks CIP Fund 3490 is included as a lump sum, to be distributed in the 2010 - 2015

⁵ Current target fund balance policy requires a \$500,000 undesignated fund balance for the provision of mid-year contingencies and emergencies.

⁶ 2009 Finance Charges inflated 4.5% and 2010 - 2014 Finance Charges inflated 3.5% per year based on OMB projections.

⁷ 2008 includes (925,050) for Parks Land Acquisition Bonds; (1,094,171) for Refunded 1993A Bonds; (132,578) for Treemont Acquisition Bonds. 2009 includes (924,300) for Parks Land Acquisition Bonds; (1,094,692) for Refunded 1993A Bonds; (133,278) for Treemont Acquisition Bonds. 2010 includes (917,175) for Parks Land Acquisition Bonds; (1,097,614) for Refunded 1993A Bonds; (132,803) for Treemont Acquisition Bonds. 2011 includes (922,000) for Parks Land Acquisition Bonds; (1,099,956) for Refunded 1993A Bonds; (133,153) for Treemont Acquisition Bonds. 2012 includes (915,325) for Parks Land Acquisition Bonds; (1,101,468) for Refunded 1993A Bonds; (132,718) for Treemont Acquisition Bonds. 2013 includes (927,250) for Parks Land Acquisition Bonds; (132,538) for Treemont Acquisition Bonds. 2014 includes (921,350) for Parks Land Acquisition Bonds; (133,176) for Treemont Conservation Acquisition; 2015 includes (929,900) for Parks Land Acquisition Bonds; (132,586) for Treemont

⁸ The 2008 Carryover is included as a line item in 2009 Estimated until CIP Reconciliation is completed.

⁹ Intrafund Loan to maintain cash balances in support of 2007 carryover adjustment and 2008 overprogrammed revenue to be paid over five years

¹⁰ In November 2008, Council adopted legislation that changed REET 1 from a Tier 2 to a Tier 1 fund, thereby collecting its own interest earnings. is based on the annual revenue projected plus ending undesignated fund balance using the latest interest rates provided by OMB. 2009 Rate is 1.7%, 2010 is 1.45%, 2011 is 1.65%, 2012 is 2.3% and 2013 is 2.85%, 2014 and beyond is 3.15%.

¹¹ For 2009, this is a \$400,000 disappropriation for the Juanita Woodlands project.

Real Estate Excise Tax #2/3682

	2008 Actual ¹	2009 Adopted ²	2009 Estimated	2010 Proposed	2011 Projected	2012 Projected
Beginning Fund Balance	14,700,863	855,487	9,592,104	733,539	500,000	500,000
Revenues						
* REET Tax ³	4,916,487	4,908,155	3,147,055	3,338,998	3,883,231	4,755,046
* Interest Earnings ¹¹			62,000	55,665	72,323	120,866
Total Revenues	4,916,487	4,908,155	3,209,055	3,394,663	3,955,554	4,875,912
Expenditures						
* Parks & Open Space Expenditures ⁴				(2,892,565)	(1,772,776)	(4,141,608)
* T/T Parks CIP Fund 3160	(8,320,128)	(3,471,924)	(3,471,924)			
* T/T Parks CIP Fund 3490	(1,574,946)	(1,059,562)	(1,059,562)			
* REET 2 Finance Charges ⁶	(1,754)	(2,337)	(2,337)	(2,419)	(2,503)	(2,591)
* Debt Service ⁷	(578,418)	(587,819)	(587,819)	(591,219)	(588,275)	(589,713)
* Transfer to Cities - Annexation ⁹	(250,000)				(1,450,000)	
* 2008 Estimated CIP Carryover/CIP Rec ⁸			(6,803,978)			
Total Expenditures	(10,725,246)	(5,121,642)	(11,925,620)	(3,486,202)	(3,813,554)	(4,733,912)
Estimated Underexpenditures						
Other Fund Transactions						
* Intrafund Loan and Payments ¹⁰	700,000	(142,000)	(142,000)	(142,000)	(142,000)	(142,000)
Total Other Fund Transactions	700,000	(142,000)	(142,000)	(142,000)	(142,000)	(142,000)
Ending Fund Balance	9,592,104	500,000	733,539	500,000	500,000	500,000
Reserves & Designations						
* Estimated 2008 CIP Carryover ⁸	(6,803,978)					
Total Reserves & Designations	(6,803,978)	0	0	0	0	0
Ending Undesignated Fund Balance	2,788,126	500,000	500,000	500,000	500,000	500,000
Target Fund Balance ⁵	500,000	500,000	500,000	500,000	500,000	500,000

Financial Plan Notes:

¹ 2008 Actuals are per Final 14th Month ARMS.

² 2009 Adopted is per the 2009 Adopted Budget Book.

³ 2009 Estimated and 2010 - 2015 are based on *June 2009 Budget Office projection*

⁴ The total budget for 2010 - 2015 T/T Parks Fund 3160 and T/T Parks CIP Fund 3490 is included as a lump sum, to be distributed in the 2010 - 2015

⁵ Current target fund balance policy requires a \$500,000 undesignated fund balance for the provision of mid-year contingencies and emergencies.

⁶ 2009 Finance Charges inflated 4.5% and 2010 - 2014 Finance Charges inflated 3.5% per year based on OMB projections.

⁷ 2008 includes (578,419) for Ballfield Initiative Bonds and (129,905) for HOPE VI loan. 2009 includes (587,819) for Ballfield Initiative Bonds. 2010 includes (591,219) for Ballfield Initiative Bonds. 2011 includes (588,275) for Ballfield Initiative Bonds. 2012 includes (589,713) for Ballfield Initiative Bonds. 2013 includes (590,325) for Ballfield Initiative Bonds. 2014 includes (584,500) for Ballfield Initiative Bonds. 2015 includes (584,250) for Ballfield Initiative Bonds

⁸ The 2008 Carryover is included as a line item in 2009 Estimated until CIP Reconciliation is completed.

⁹ Balance of annexation reserve. In 2006 \$200,000 was appropriated for planned transfer to Issaquah for Klahanie Annexation in 2006. In 2007 \$1,500,000 was appropriated, to be combined with existing appropriation that was rescope in the 2007 budget for a total of \$1,700,000 to reflect current negotiations with cities. In 2008, \$250,000 was transferred to Renton for the Benson Hill Annexation. The remaining \$1,450,000 was postponed to 2010/2011 due to declining REET revenue.

¹⁰ Intrafund loan, if necessary to maintain cash balances, in support of 2008 overprogrammed revenue to be paid back over five years including interest at 5%.

¹¹ In November 2008, Council adopted legislation that changed REET 2 from a Tier 2 to a Tier 1 fund, thereby collecting its own interest earnings. is based on the annual revenue projected plus ending undesignated fund balance using the latest interest rates provided by OMB. 2009 Rate is 1.7%, 2010 is 1.45%, 2011 is 1.65%, 2012 is 2.3% and 2013 is 2.85%, 2014 and beyond is 3.15%.

Major Maintenance Reserve Fund/3421

DEPT 0337 Major Maintenance ¹	2008 Actual³	2009 Adopted	2009 Estimated	2010 Proposed	2011 Projected	2012 Projected
Beginning Fund Balance	9,501,561	13,298,031	16,617,727	14,923,329	14,758,696	14,758,696
Revenues:						
Investment Interest	414,025	300,800	300,800	309,824	319,119	319,119
Impaired Investment ⁴	(54,522)					
King Street Tenants	468,599	455,442	455,442	455,442	455,442	455,442
General Fund Contributions ⁵	9,932,904	3,086,939	3,086,939	5,675,303	10,310,354	10,676,372
LTGO Bonds				3,000,000		
Public Health Pooling-Multiple Facilities	781,532	1,165,322	1,165,322	1,214,472	1,250,906	1,250,906
Black River - DDES	321,512	226,861	226,861	310,232	319,539	319,539
Chinook Tenants (less Public Health)		174,915	174,915	194,970	200,819	200,819
Goat Hill Parking Garage		104,868	104,868	121,460	125,104	125,104
Orcas Building		90,004	90,004	66,688	68,689	68,689
Elections		265,128	265,128	273,082	281,274	281,274
Total Revenues	11,864,050	5,870,279	5,870,279	11,621,473	13,331,246	13,697,264
Expenditures:						
Expenditures	(7,237,472)	(7,564,677)	(7,564,677)	(10,286,106)	(10,594,688)	(10,912,529)
Debt Service on 2001 Borrowing (7 years)	(691,600)					
Total Expenditures	(7,929,072)	(7,564,677)	(7,564,677)	(10,286,106)	(10,594,688)	(10,912,529)
Other Fund Transactions						
Equity Adjustment	3,181,188					
Reserve for Emergent Need Supplementals Ordinances				(1,500,000)		
Total Other Fund Transactions	3,181,188	0	0	(1,500,000)	0	
Additional Expenditure in Fully Funded MMRF Model					(2,736,558)	(2,784,735)
Ending Fund Balance	16,617,727	11,603,633	14,923,329	14,758,696	14,758,696	14,758,696
Less Reserves & Designations:						
Reserve for CIP Carryover	(14,992,710)	(11,194,143)	(14,000,000)	(14,200,274)	(14,189,093)	(12,254,334)
Ending Undesignated Fund Balance	1,625,017	409,490	923,329	558,422	569,602	2,504,362
Target Fund Balance ²	0	0	0	0	0	0

Notes:

¹ Fund established in 1993 through Ordinance 10728.

² There is no target fund balance requirement.

³ Amount from 14th month ARMS reports.

⁴ At year end 2007 the county investment pool held investments that became impaired. This adjustment reflects the fund's share of the unrealized loss for these impaired investments.

⁵ The 2009 Adopted Budget reduced the General Fund Transfer to MMRF from \$8,504,023 to \$3,161,763.